

**REMARKS**

In section 4 the Office Action, the Examiner rejected claims 132-152 and 183-212 under 35 U.S.C. §103(a) as being unpatentable over the Green patent in view of the Swartz patent.

The Green patent discloses a terminal 100 that is used to check books in and out. The patron's ID card is inserted into a slot 134 where the patron's ID number is read from the card. An item reader 106 is used to scan the book's label. If a patron pays an assessment, a PAID button 120 is depressed which clears the patron's record and which credits the branch account with the indicated amount. (See column 10, lines 65-68.) Also, an indicator light 1150 indicates when a patron is delinquent in paying money owed to the library. (See column 15, lines 26-28.)

In connection with Figures 1-5, the Swartz patent discloses a device 10 for reading a bar code and for deactivating a surveillance tag after the bar code has been successfully read. In connection with bar code reading and deactivation of surveillance tags, the Swartz patent refers to an automated library circulation control system in which an optical reader reads a bar code on a book in order to identify books and an electromagnetic

activator magnetizes and demagnetizes a magnetic strip in each book such that, if the magnetic strip is not deactivated before the book is taken from the library, an alarm at the library exit is activated.

The Swartz patent goes on to disclose that, in rental agency or library applications, a print out verification and conformation message may include the user's identification or credit card number, the description of the article or item rented, the date charged, and the date due. If a reservation has been made, the display verifies the reservation by user identification number, the article or item reserved, and the date that the reservation or hold request was entered.

In connection with Figure 6, the Swartz patent discloses a point-of-sale terminal 111 that includes a credit or smart card reader 112, a keyboard 113, a display 114, and a scanner that functions to read bar codes on articles to be purchased. A credit card or "smart card" 110 may be read so that the customer's purchases as read by the scanning head 116 are automatically paid for by the customer. The point-of-sale terminal 111 further includes a deactivation unit 118.

The Swartz patent discloses in connection with Figures 7a-12a an alternative point-of-sale terminal 140 including a scanner 156, a credit card reader 170 that reads a credit card or analogous payment card 174 inserted into a slot 172, a keyboard 176, a speaker 180, and a de-activator 166.

The Swartz patent discloses in connection with Figures 7b-12b another alternative point-of-sale terminal 140 having a scanner 156, a credit card reader 170 that reads a credit card or analogous payment card 174 inserted into a slot 172, a keyboard 176, a speaker 180, and a de-activator (un-numbered).

Independent claim 132 is directed to a self-service library terminal comprising a reader, a payment apparatus, and a controller. The reader reads identifications on books involved in library loan transactions. The payment apparatus receives payment from a borrower. The controller processes signals from the reader corresponding to the identifications read by the reader, the controller interacts with the payment apparatus in order to process financial transactions related to the library loan transactions, and the controller reminds the borrower of the borrower's account status.

As can be seen from the description above of the Green patent, and as the Examiner recognizes, the terminal 100 disclosed in the Green patent does not include a payment apparatus that receives payment from a borrower as required by independent claim 132.

Therefore, the Examiner relies on the Swartz patent. However, as can be seen from the description above of the Swartz patent, the Swartz patent is directed to various point-of sale terminals that are used in retail establishments and are not used in libraries.

Indeed, the Swartz patent only mentions library systems twice. The first mention is in connection with the prior art relating to library systems having an optical reader that reads a bar code on a book in order to identify the book and an electromagnetic activator that magnetizes and demagnetizes a magnetic strip in the book such that, if the magnetic strip is not deactivated before the book is taken from the library, an alarm at the library exit is activated.

As can be seen, this reference to libraries in the Swartz patent does not disclose or suggest providing a library terminal with the payment apparatus recited in independent claim 132.

The second mention of a library in the Swartz patent is in a paragraph dealing with surveillance systems that demagnetize a magnetic stripe in a tag when an article to which the tag is attached is charged or checked out. Failure to deactivate this stripe before the article is taken from a controlled area will initiate an alarm. This paragraph of the Swartz patent goes on to disclose (i) that more sophisticated surveillance systems provide a unique code for each article or class of articles so that the security detection system can identify the article, (ii) that such sophisticated systems can also print or display verification and confirmation messages that enable a checkout clerk to authorize the transaction, and (iii) that, in special applications, such as a rental agency or library, the print out message may include the user's identification or credit card number, the description of the article or item rented, the date charged, and the date due.

Accordingly, this reference to a library is in connection with surveillance systems and not in connection with the library terminal of independent claim 132 that has a payment apparatus. Thus, this portion of the Swartz patent does not disclose or suggest providing

a library terminal with a payment apparatus as recited in independent claim 132.

Indeed, this portion of the Swartz patent merely discloses that, in a library that accepts library card or in a rental agency that accepts credit card, a surveillance system can print out verification and confirmation messages that enable a checkout clerk to authorize a transaction and that such messages may also include a credit card number in connection with a rental agency or a library card identification in connection with a library.

Thus, the person of ordinary skill in the art reading this paragraph of the Swartz patent would merely understand that rental agencies accept credit cards and that libraries accept library cards containing a borrowers identification.

Accordingly, this paragraph of the Swartz patent does not suggest providing library terminals with a credit card reader.

The Examiner states that the Swartz patent suggests that its point-of-sale terminal could be applied in a rental agency or in a library. The Swartz patent suggests no such thing. This reference to rental agency and to a library is in connection with verification and

confirmation print outs and merely suggests that such print outs could contain a credit card number in the case rental agencies or identification numbers in the case of libraries.

Therefore, because the Swartz patent does not suggest providing a payment apparatus that would be useful in the context of the terminal 100 disclosed in the Green patent, it would not have been obvious to one of ordinary skill in the art to modify the terminal 100 disclosed in the Green patent in view of the Swartz patent.

Accordingly, independent claim 132 is patentable over the Green patent in view of the Swartz patent.

Moreover, the Green patent teaches away from such a modification. Indeed, the Green patent discloses that payment be received by a library aid rather than by the terminal 100. That is, the Green patent discloses a terminal on the one hand and payment to a library aid on the other. Thus, the Green patent suggests that payment not be made to the terminal 100 and rather that payment should be made to the library aid, thus by-passing the terminal 100 altogether.

Therefore, because the Green patent teaches away from the invention of independent claim 132, independent claim 132 is patentable over the Green patent in view of the Swartz patent.

Independent claim 183 is directed to a self-service library terminal comprising a reader, a payment receiver, and a controller. The reader reads identifications on books involved in library loan transactions. The payment receiver receives payments associated with the loan transactions. The controller processes the identifications read by the reader and the payments received by the payment receiver.

As discussed above, the terminal 100 disclosed in the Green patent does not include a payment receiver that receives payment from a borrower as required by independent claim 132. Also as discussed above, neither the Green patent nor the Swartz patent suggests adding a payment apparatus to the terminal 100 disclosed in the Green patent.

Therefore, because neither the Green patent nor the Swartz patent suggests adding a payment apparatus to the terminal 100 disclosed in the Green patent, it would not have been obvious to one of ordinary skill in the art



to modify the terminal 100 disclosed in the Green patent in view of the Swartz patent.

Accordingly, independent claim 183 is patentable over the Green patent in view of the Swartz patent.

Moreover, the Green patent teaches away from such a modification. Therefore, because the Green patent teaches away from the invention of independent claim 183, independent claim 183 is patentable over the Green patent in view of the Swartz patent.

Independent claim 197 is directed to a method implemented by a self-service library terminal comprising reading an identification on a book involved in a library loan transaction, reading a payment from a payment card, processing the identification to determine an identification of the book involved in the loan transaction, and processing the payment in relation to the loan transaction.

As discussed above, the terminal 100 disclosed in the Green patent does not read a payment from a payment card and process the payment in relation to a loan transaction involving a book. Also as discussed above, the Swartz patent does not suggest a library terminal that reads a payment from a payment card and

that processes the payment in relation to a loan transaction involving a book.

Further, as the Examiner has recognized, the Green patent does not suggest reading a payment from a payment card and processing the payment in relation to a loan transaction involving a book.

Accordingly, because neither the Green patent nor the Swartz patent suggests reading a payment from a payment card and processing the payment in relation to a loan transaction involving a book, independent claim 197 is patentable over the Green patent in view of the Swartz patent.

Moreover, the Green patent teaches away from such a modification. Therefore, because the Green patent teaches away from the invention of independent claim 197, independent claim 197 is patentable over the Green patent in view of the Swartz patent.

Independent claim 209 is directed to a self-service library terminal comprising a reader, a payment apparatus, and a controller. The reader reads identifications on articles involved in library loan transactions. The payment apparatus receives payment from a borrower for fines related to overdue articles. The controller processes signals from the reader

corresponding to the identifications read by the reader, and the controller interacts with the payment apparatus in order to process the fines related to the library loan transactions.

The Green patent does not disclose a self-service library terminal that processes payments for overdue fines. Likewise, the Swartz patent does not disclose or suggest a self-service library terminal that processes payments for overdue fines.

Accordingly, the combination of the Green patent and the Swartz patent does not disclose, teach, or suggest a self-service library terminal that processes payments for overdue fines.

Therefore, independent claim 209 is not unpatentable over the Green patent in view of the Swartz patent.

Because independent claims 132, 183, 197, and 209 are patentable over the Green patent in view of the Swartz patent, dependents claims 133-143, 145-152, 184-196, 198-208, and 210-212 are likewise patentable over the Green patent in view of the Swartz patent. In addition, dependents claims 133-143, 145-152, 184-196, and 198-208 are separately patentable over the Green patent in view of the Swartz patent.

Dependent claims 133, 188, and 201 recite that a reminder is displayed to a borrower that a loan is a chargeable loan.

Neither the Green patent nor the Swartz patent discloses or suggests the display of a reminder to a borrower that a loan is a chargeable loan.

The Swartz patent discloses printing out verification and confirmation messages enabling a point-of-sale clerk to authorize a transaction and that the message may include a credit card number in connection with a rental agency or a library card identification in connection with a library. However, such a clerk at a point-of-sale terminal needs no reminder that an article at check out is chargeable. Thus, the Swartz patent does not suggest displaying a reminder to a borrower that a loan is a chargeable loan.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 133, 188, and 201. Therefore, dependent claims 133, 188, and 201 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 134, 189, and 203 recite the display of a request that the borrower pay a fee for the chargeable loan.

Neither the Green patent nor the Swartz patent discloses or suggests the display of a request that a borrower pay a fee for a chargeable loan.

The Swartz patent discloses printing out verification and confirmation messages enabling a point-of-sale clerk to authorize a transaction and that the message may include a credit card number in connection with a rental agency or a library card identification in connection with a library. However, a clerk at a point-of-sale terminal needs no reminder that an article at check out is chargeable. Thus, the Swartz patent does not suggest displaying a reminder to a borrower that a loan is a chargeable loan.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 134, 189, and 203. Therefore, dependent claims 134, 189, and 203 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 135 and 190 recite the display of a request that the borrower pay a fee for a chargeable loan upon return of a book.

Neither the Green patent nor the Swartz patent discloses or suggests the display of a request that a borrower pay a fee for a chargeable loan upon return of a book.

The Swartz patent discloses a point-of-sale terminal which does not process returns in connection with a chargeable loan.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 135 and 190. Therefore, dependent claims 135 and 190 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 138 and 191 recite a display to remind a borrower of an overdue book chargeable to the borrower.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not a display that reminds a borrower of an overdue book chargeable to the borrower.

The Swartz patent discloses a point-of-sale terminal which does not process overdue books.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 138 and 191. Therefore, dependent claims 138 and 191 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 139 and 192 recite a display to remind a borrower to pay immediately for an overdue book.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not a display that reminds a borrower to pay immediately for an overdue book.

The Swartz patent discloses a point-of-sale terminal which does not process overdue books and, therefore, there is no need to remind a borrower to pay immediately for an overdue book.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 139 and 192. Therefore, dependent

claims 139 and 192 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 140 and 193 recite that a borrower is allowed to continue a present loan transaction even though the borrower has not paid for an overdue book.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not allowing a borrower to continue a present loan transaction even though the borrower has not paid for overdue book.

The Swartz patent discloses a point-of-sale terminal which does not process overdue books and, therefore, there is no need to allow a borrower to continue a present loan transaction even though the borrower has not paid for overdue book.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 140 and 193. Therefore, dependent claims 140 and 193 are not unpatentable over the Green patent in view of the Swartz patent.



Dependent claim 141 recites that a borrower is given the option of continuing a present loan transaction even though the borrower has not paid for an overdue book or of paying immediately for the overdue book.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not giving a borrower the option of continuing a present loan transaction even though the borrower has not paid for an overdue book or of paying immediately for the overdue book.

The Swartz patent discloses a point-of-sale terminal which does not process overdue books and, therefore, there is no need to give a borrower the option of continuing a present loan transaction even though the borrower has not paid for an overdue book or of paying immediately for the overdue book.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claim 141. Therefore, dependent claim 141 is not unpatentable over the Green patent in view of the Swartz patent.

Dependent claim 142 recites the display of a reminder to a borrower of a hold reserved for the borrower.

The Green patent does not disclose the display of a reminder to a borrower of a hold reserved for the borrower.

The Swartz patent discloses a point-of-sale terminal which does not remind a borrower of a hold reserved for the borrower.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claim 142. Therefore, dependent claim 142 is not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 149, 195, 205, and 211 recite storing loan transactions during periods when a link to a circulation system is down so that the loan transactions can be later transferred to the circulation system.

The Green patent discloses a library system in Figure 1 having branch libraries 1, 2 connected over telephone lines to a central site 3. Each local library branch comprises a Check-In/Check-Out console, a Check-Out console, an alpha-numeric input and output display

unit, a branch controller that codes the input and output data and interfaces the I/O units to the computer 20, and a modem 17 that converts the digital data from the branch controller to an analog signal which is transmitted over the telephone lines.

Assuming that the central site 3 is the circulation system of the rejected claims, the Green patent does not disclose that the branch libraries are capable of storing loan transactions during periods when the link to the circulation system is down so that the loan transactions can be later transferred from the branch libraries to the circulation system.

The Green patent discloses in Figure 1a a smaller version of the library circulation system that may be housed and used in a branch library. This smaller library circulation system does have memory. However, there is no disclosure in the Green patent that loan transactions are transmitted elsewhere by the smaller library circulation system shown in Figure 1a.

Accordingly, the Green patent does not disclose storing loan transactions during periods when a link to a circulation system is down so that the stored loan transactions can be later transferred to the circulation

system as required by dependent claims 149, 195, 205, and 211.

The Swartz patent likewise does not disclose storing loan transactions during periods when the link to a circulation system is down so that the stored loan transactions can be later transferred to the circulation system as required by dependent claims 149, 195, 205, and 211.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 149, 195, 205, and 211. Therefore, dependent claims 149, 195, 205, and 211 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claim 150 recites the display of a reminder to a borrower of a new charge.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not giving a borrower a reminder of a new charge.

The Swartz patent similarly does not disclose displaying a reminder to a borrower of a new charge.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claim 150. Therefore, dependent claim 150 is not unpatentable over the Green patent in view of the Swartz patent.

Dependent claim 151 recites the display of a reminder that a borrower can accept or reject the new charge.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not giving a reminder that a borrower can accept or reject the new charge.

The Swartz patent does not disclose displaying a reminder that a borrower can accept or reject the new charge.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claim 151. Therefore, dependent claim 151 is not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 152, 196, 206, and 212 recite the projection of a visible indicator onto a book receiving area and the changing of the visible indicator between first and second visible states.

Neither the Green patent nor the Swartz patent discloses the projection of a visible indicator onto a book receiving area and the changing of the visible indicator between first and second visible states.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 152, 196, 206, and 212. Therefore, dependent claims 152, 196, 206, and 212 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claims 194 and 204 recite a display to remind a borrower of a fine owed by the borrower.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not a display that reminds a borrower of a fine owed by the borrower.

The Swartz patent discloses a point-of-sale terminal which does not process overdue books and,

therefore, there is no need to remind a borrower of a fine.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claims 194 and 204. Therefore, dependent claims 194 and 204 are not unpatentable over the Green patent in view of the Swartz patent.

Dependent claim 202 recites a display of a request that a patron pay a fee associated with a loan transaction.

The Green patent discloses an indicator light 1150 to indicate when a patron is delinquent in paying money owed to the library. However, an indication that money is owed is not a display of a request that a patron pay a fee associated with a loan transaction.

The Swartz patent discloses a point-of-sale terminal which does not process loan transactions and, therefore, there is no need to request a borrower to pay a fee associated with the loan transaction.

Accordingly, even if the Green patent and the Swartz patent could have been combined, the resulting combination would not have met the limitations of dependent claim 202. Therefore, dependent claim 202 is

not unpatentable over the Green patent in view of the Swartz patent.

In section 4 the Office Action, the Examiner rejected claims 132-152 and 183-212 as being unpatentable over U.S. Patent No. 6,369,709 on the grounds of double patenting. A terminal disclaimer is being filed herewith. Therefore, the double patenting rejection is overcome.

Applicants respectfully request for the Attorney Docket No. to be change from 28299/34088E to 53768US018.



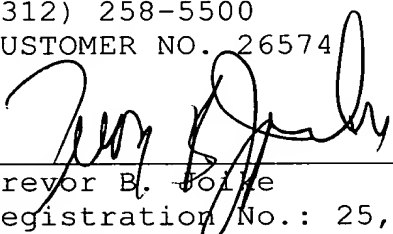
**CONCLUSION**

In view of the above, the claims of the present application patentably distinguish over the art applied by the Examiner. Accordingly, allowance of these claims and issuance of the present application are respectfully requested.

Respectfully submitted,

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